

Exhibit H

Cash Flow Variance Report FY 2014

Project Piston

Cash Flow Variance Report

FY 2014 (July through September)

Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice

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NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.

\$ in millions

	<u>As of</u>
	<u>9/27/13</u>
Ending cash net of distributions - Forecast Restructuring Scenario (September)	\$ 102.8
Ending cash net of distributions - Actual (September)	128.5
Favorable variance (see components below)	<u>\$ 25.7</u>

Major variances (details on subsequent page):

FY 2013 variance from June (see Memo 1)	\$ (10.4)	See Memo 1 below
Property tax (net impact of collections, distributions, and change in accrual)	(0.0)	
Income tax receipts lower (net impact)	(4.3)	Timing
Gaming tax receipts higher (net impact)	9.5	Timing - large receipt forecast in early Oct was received in Sept
Other receipts higher	14.8	Timing - \$3m grants; \$4m DPS catch up; \$4m voided checks
Payroll and benefits higher	(4.4)	
Cash subsidy to DDOT lower	3.8	Timing
AP and professional fee payments lower	16.7	Timing - primarily due to vendor payment management process
Miscellaneous other variances / rounding	(0.0)	
Sub-total major variances	<u>\$ 25.7</u>	

Memo 1:

June variance actual vs. Restructuring Scenario Forecast	\$ 46.4	Ending cash June (Forecast)
	36.0	Ending cash June (Actual)
	<u>\$ (10.4)</u>	

Major variances (June):

Escrow proceeds not drawn in June	\$ (20.0)
DDOT subsidy not made	8.7
Miscellaneous other variances	0.9
	<u>\$ (10.4)</u>

<i>\$ in millions</i>	Forecast	Actual	Forecast	Actual	Forecast	Actual	<i>FYTD</i> Forecast	<i>FYTD</i> Actual		
	Jul-13	Jul-13	Aug-13	Aug-13	Sep-13	Sep-13	Jul-Sep	Jul-Sep	Variance	Ref.
Operating Receipts										
Property taxes	\$ 37.8	\$ 32.7	\$ 166.6	\$ 177.5	\$ 13.0	\$ 27.5	\$ 217.5	\$ 237.6	\$ 20.2	A
Income & utility taxes	28.7	25.8	22.7	21.8	22.3	21.0	73.7	68.6	(5.0)	B
Gaming taxes	14.6	21.2	14.1	12.7	8.9	17.5	37.7	51.4	13.7	C
Municipal service fee to casinos	-	-	7.6	7.3	-	-	7.6	7.3	(0.3)	
State revenue sharing	30.7	30.1	-	-	30.7	30.5	61.4	60.6	(0.8)	
Other receipts	26.2	31.8	24.8	33.7	24.9	26.5	76.0	92.0	16.0	D
Financing proceeds	-	-	-	-	-	-	-	-	-	
Total operating receipts	138.1	141.6	235.9	252.9	99.9	123.1	473.8	517.5	43.7	
Operating Disbursements										
Payroll, taxes, & deductions	(31.0)	(33.9)	(26.6)	(29.4)	(26.6)	(25.9)	(84.1)	(89.2)	(5.0)	E
Benefits	(15.5)	(13.8)	(15.5)	(14.5)	(15.5)	(17.5)	(46.4)	(45.8)	0.6	
Pension contributions	-	-	-	-	-	-	-	-	-	
Subsidy payments	(5.3)	(3.3)	(2.8)	(0.1)	(4.1)	(5.0)	(12.3)	(8.4)	3.8	F
Distributions - tax authorities	(14.8)	-	(72.4)	(83.2)	(40.0)	(20.7)	(127.2)	(103.9)	23.3	G
Distributions - UTGO	-	-	-	-	-	-	-	-	-	
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	
Income tax refunds	(2.5)	(2.6)	(2.7)	(1.1)	(0.6)	(1.3)	(5.8)	(5.0)	0.8	
A/P and other disbursements	(41.3)	(44.2)	(42.9)	(25.0)	(34.3)	(27.7)	(118.4)	(96.9)	21.5	H
Professional fees	-	(2.3)	-	(1.5)	-	(1.0)	-	(4.8)	(4.8)	I
Sub-total operating disbursements	(110.4)	(100.2)	(162.9)	(154.7)	(120.9)	(99.2)	(394.2)	(354.1)	40.1	
POC and debt related payments	(7.4)	(11.6)	(4.2)	(4.2)	(7.3)	(7.3)	(18.9)	(23.2)	(4.3)	J
Total disbursements	(117.7)	(111.8)	(167.1)	(159.0)	(128.3)	(106.5)	(413.1)	(377.2)	35.9	
Net cash flow	20.4	29.8	68.8	93.9	(28.4)	16.6	60.7	140.3	79.5	
Cumulative net cash flow										
Beginning cash balance	66.1	71.3	86.4	101.1	155.2	195.0	66.1	71.3	5.2	
Net cash flow	20.4	29.8	68.8	93.9	(28.4)	16.6	60.7	140.3	79.5	
Cash before required distributions	\$ 86.4	\$ 101.1	\$ 155.2	\$ 195.0	\$ 126.8	\$ 211.6	\$ 126.8	\$ 211.6	\$ 84.8	
Accumulated property tax distributions	(29.8)	(56.9)	(55.4)	(85.7)	(24.0)	(83.1)	(24.0)	(83.1)	(59.1)	K
Cash net of distributions	\$ 56.6	\$ 44.3	\$ 99.8	\$ 109.4	\$ 102.8	\$ 128.5	\$ 102.8	\$ 128.5	\$ 25.7	
Memo:										
Refunding bond proceeds in escrow	51.7	79.5	51.7	79.5	51.7	79.5	51.7	79.5	27.8	L
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	

Footnotes:

A Actual amount higher due to timing of receipts; expected to reverse in subsequent weeks

B Actual amount lower due to timing of receipts; expected to reverse in subsequent weeks

C ~\$5m due to cash held by custodian as of 6/30/2013 and remitted to City in July; off-set by June swap payment made in July; ~\$8m related to early receipt of cash forecasted in first week of October

D Primarily due to grant receipts, voided checks due to Ch9 filing, catch up payments from DPS, and unposted property and income tax collections; expected to reverse in subsequent weeks

E Primarily due to delay of 10% wage cut implementation, overtime, separation payments and Federal Income tax true-up

F Timing related variance based on lower working capital needs of DDOT; expected to reverse in subsequent months

G Timing related variance; distributions are accrued below in "accumulated property tax distribution" line; net zero impact

H Primarily due to vendor management and delays in disbursements due to bankruptcy process; expected to reverse in subsequent weeks given significant amount of invoices discovered

I Professional fees were shown "below-the-line" in original forecast, but have been moved for presentational purposes

J June 2013 POC swap payment not made until July; off-set by higher casino receipts above (net zero impact)

K Higher accrual due to cumulative distribution payments not yet made since June and higher property tax collections

L \$20m was not drawn in June and currently forecast not to be drawn until Dec 2013; \$7.8m was funded into account for FY14 self-insurance requirement